

**MINUTES
ENTERPRISE ZONE COMMISSION MEETING
TUESDAY, JUNE 26, 2007**

1. CALL TO ORDER

The meeting was called to order by Chair Norman at 5:00 p.m.

2. ROLL CALL

Present: Andersen, Biede, Milford, Norman, Prichard and Stazzoni

Absent: Bates, Hornbeck and Jares

CD Staff: Brenda Carrico

Others: Jennifer Cook, Lloyd Banks, Sherm Sleper and Russ Hays

3. ADOPTION OF AGENDA

Motion by Milford, second by Stazzoni to adopt the agenda as printed. Motion carried by unanimous voice vote.

4. APPROVAL – MINUTES OF MAY 15, 2007

Motion by Biede, second by Prichard to adopt the minutes as printed. Motion carried by unanimous voice vote.

5. PROOF OF PUBLICATION

Presented by staff

6. REVIEW OF APPLICATIONS

Carrico explained that all three applications on the agenda were located in the Sunset Park North neighborhood. With verbal agreement from the Commission, Carrico stated she would briefly describe all three projects with testimony to be added by the builders and/or their representatives. Although they had all appeared before the Commission previously, for the record, Carrico introduced Jennifer Cook, Lloyd Banks, Sherm Sleper and Russ Hays and their respective companies.

Carrico reminded the Commission that the City of Council Bluffs has been working on redeveloping the area north of Katelman Pool for several years. This has involved the acquisition of property, relocation of residents, demolition of structures and the installation of infrastructure.

The project has been initiated and completed in several phases due to financial constraints. As revenues are gained from the sale of lots, the latter project phases can be financed. The two current phases of the project include Phase III, which is located in the block between 14th and 15th Avenues from South 9th Street to South 10th Street. This phase of the project will result in the creation of twelve single family lots. Phase VII is located north and south of 14th Avenue, west of South 13th Street and east of Indian Creek. Phase VII will result in the creation of nine single family residential lots.

In May of 2007, the City circulated a “Request for Proposal” (RFP) to builders requesting bids to construct homes as a part of the Katelman redevelopment project, Phases III and VII. The RFP set the price of the lots at \$25,000 each and explained that the proposals will be evaluated by the construction schedule, the developer’s experience and capacity, the affordability of units and quality of construction materials and the design and aesthetics of the project.

Based upon staff evaluations and City Council approval, the lots were awarded to four builders. The builders are Western Iowa Land Development LLC (seven lots), Encore Design and Construction Inc. (Sherm Sleper) (eight lots), Russ Hays Construction, Inc. (four lots) and BC's Construction (Bob Criswell) (two lots).

a. Western Iowa Land Development

Western Iowa Land Development LLC proposes to construct seven single family homes in the project area on Lot 1 of Phase III and Lots 1, 2, 3, 5, 6 and 7 of Phase VII. Western Iowa Land Development LLC has five floor plans they will be utilizing in the neighborhood, each with alternate elevations. The homes are a mix of split-entry and two story styles. The homes will have attached garages, three bedrooms and approximately 1,200 finished square feet. The units will have a range/oven, microwave and dishwasher. The builder has included many energy efficient improvements to the all electric homes, including heat pumps, high efficiency hot water heater and dishwasher and florescent bulbs. The builder will seed all of the front, side and rear yards. The total project investment is approximately \$944,300. All of the seven homes being built will be valued at \$134,900. The estimated total financial enterprise zone incentive available to the project is \$108,430. The developer has agreed to comply with the adopted local requirements.

b. Encore Design & Construction Inc.

Encore Design & Construction Inc. proposes to construct eight single family homes in the project area on Lots 2, 3, 4, 5 and 6 in Phase III and Lots 8, 9 and 10 in Phase VII. Encore has three very attractive floor plans that they will utilize in the neighborhood (split entry and two story styles). The homes will have attached two car garages, three bedrooms, one full bathroom and one bathroom roughed in. They will range from approximately 1,064 to 1,249 finished square feet in size. Some of the amenities offered in these homes include low E vinyl windows filled with argon gas, high efficiency HVAC (90% gas furnace), 13 SEER air conditioning and a power humidifier. The builder will seed all of the front, side and rear yards. The total project investment is \$958,000. The per unit value of the homes will range from \$137,000 to \$152,900. However, per State statute, only the first \$140,000 of value can be claimed for the Enterprise Zone's 10% investment tax credit. The estimated total financial enterprise zone incentive available to the project is \$122,700. The developer has agreed to comply with the adopted local requirements.

c. Russ Hays Construction, Inc.

Russ Hays Construction, Inc. proposes to construct four single family homes in the project area on Lots 7, 8, 9 and 11 in Phase III, using two building plans (both two stories). The homes will have attached two car garages, three bedrooms and one or two bathrooms. They will range from 1,300 to 1,400 finished square feet in size. Along with the typical amenities, the builder will offer appliances, low E insulated windows, oak cabinetry, ceramic tile and laminate wood floors. The builder will seed all of the front, side and rear yards. The total project investment is \$539,600. The per unit value of each home will be \$134,900. The estimated total financial enterprise zone incentive available to the project is \$134,900. The developer has agreed to comply with the adopted local requirements.

Stazzoni asked Carrico about the number of homes that have already been constructed. Carrico replied that approximately 80 homes have already been built. These 21 lots will bring the total up to about 100 new homes in the area. Led by a statement from Stazzoni, the Commission agreed

they would like to take a tour of the homes sometime. With builder concurrence, Carrico responded that she would help arrange a tour when the homes were completed.

Milford commented on the energy efficiency additions, particularly highlighted in the Western Iowa Land Development application. He specifically mentioned the HERS rating and the fluorescent bulbs being used. Banks responded that the homeowners will be able to save approximately \$700 a year due to the energy efficient construction techniques they use. Banks also invited the Commission to a “groundbreaking” event on Friday, June 29, 2007 at 10 a.m. in the Sunset Park neighborhood. This event is the kickoff to the demolition of two dilapidated homes and the construction of four energy efficient homes in which energy savings will be tracked annually and compared to other homes. Carrico will send out the press release to the Commission with information on the event.

Prichard asked if any land was still available in the area. Carrico explained that these two phases will mostly finish out the neighborhood. However, if additional funding can be obtained, the City will proceed with a smaller scale project involving both rehabilitation and new construction in the area east of South 8th Street.

Norman stated that it appeared most of the builders were around \$100 - \$110 per square foot in construction costs. The builders concurred. Norman also asked about landscaping on the properties. The builders and Carrico responded that all of the lots will be seeded with one tree planted in the front yard.

Motion by Biede, second by Stazzoni to concur with staff’s recommendation and approve the three Enterprise Zone applications from Western Iowa Land Development, Encore Design and Construction and Russ Hays Construction, as submitted. The motion carried by a unanimous voice vote.

Carrico informed the applicants that their applications would be considered by the City Council on July 9, 2007 at 7:00 p.m. and reminded them not to start any construction on the lots they had just received EZ Commission approval for.

7. OTHER BUSINESS

Led by a discussion initiated by Norman, the Commission and Carrico discussed the expiration of Enterprise Zone-1. The Commission also briefly discussed included energy efficient construction methods and the City’s desire to further incent them. Lastly, the Chamber was complimented for attracting the Google project.

8. ADJOURNMENT

Motion by Stazzoni, second by Biede to adjourn the meeting at 5:25 p.m. Motion carried by unanimous voice vote.